HEC BALLFING

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6 August 1958

## TAIRAH STRAFTS

I.	Chinese	Communist	militory	MOVOS	in T	asvic	Strait	ares and	Chinese
	Retione?	list approl	dension h	ive ere	es ted	dange	mode e	ituetion.	•

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- B. However, there has been no unusual ground force activity in the Taiwan Strait area to indicate preparations for hostilities.
  - Nevertheless, the Chinese Communists have capability barring US intervention—to initiate major hostilities against the offshore islands very quickly.
  - 2. Communist forces opposite the Quemoys (garrisened by about 86,000 Entionalist troops) number about 80,000 and would have to be reinforced before assaulting the major islands of Quemoy and Little Quemoy. More troops could be brought

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in rapidly-and possibly without detection-by the Yingtan-amoy railroad, completed late last year.

- Probing action against leaser islands of Erbtan and Tatan always a possibility and could be carried out with troops immediately systlable.
- 4. Communist forces on meinland opposite Matsus outnumber
  Mationalists (48,000 Communists-23,000 Retionalists) and
  can carry out successful assault with little difficulty.
- C. Chinese Communists have not reinferced weak East China naval forces.
  - Chicoms have most powerful Asian naval force, superior to that of Mationalists, but major vessels (4 destroyers, 17 submarines, 4 destroyer escorts) remain north of the Straits at the ports of Shanghai and Tmingtao.
  - 2. Communist neval vessels near the Straits consist mostly of light patrol craft and gunboats.
  - 3. No landing craft build-up which would indicate preparations:

    for an assault has been noted, but many junks are always

    available and could be used.
- D. Communist air and naval power could be used to interdict

  Entionalist son supply lines and—should the US not intervent—
  force capitulation of offshore islands without direct useful.

  1. However, this would still be anjor act of aggression.

  E. Chicom propagands, which had taken an extremely belligarent
- line against the Mationalists in recent weeks, seems to have subsided in last few days.

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<b>.</b>		major danger of situation is development of large-scale air
		ttle which could develop in minutes into an engagement in
		iwan air space without either side so intending, and which
	<b>40</b> 4	ild threaten to involve to ferces in that area.
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		Chicon mir patrols against daily Nationalist reconnaissance
5X1		flights have grown so strong and aggressive that clashes at
		squadron strongth may result.
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	Chiang Eni-shek assured Ambassador Bruss
and	Admiral Smeet that he would continue to honor his treaty com
<b>40</b> E	te to the United States before ordering air attacks against
	nland targets.
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- B. Chiang was emotional at times during the conversation and state! that the 88 did not appreciate the seriousness of the situation.
  - 1. He said with some heat that the distance from the events has created a different psychology in Washington than in Taipei. It might be possible for people in Washington to remain calm, but it would be impossible within an hour of the enemy's striking power.
  - 2. Chiang then requested additional aid from the United States, asking for:
    - --- Sidewinder air-to-zir missiles.
    - -- Rapid re-equipment of his obsolete F-84G fighters with never F-86F's,
    - -- Perunnent deployment of 7-1000's to Taiwan.
    - -- A show of force by the US Seventh Fleet.
  - 3. Minister of Defense Tu Ta-wei asked Admiral Smoot to transmit
    a message to President Risenhover requesting the President
    to issue a public statement to the effect that he would
    consider an attack on Quescy or Matsu at this time to be a
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    threat to Taivan.

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- 4. We and Chief of Staff "Tiger" Wang indicated their belief that control of the Taivan Straits was already "lost" and that the position of the Chinese Nationalist garrisons on the off-shore islands was critical.
- 5. To said later he was doing all in his power to exercise restraint, but he feared Chicous would try to provoke incident.
- V. We think Chiang is unlikely to order an attack against the mainland without at least the tacit prior approval of Washington and the backing of United States forces.
  - A. Prolonged military tension in the area without increased American support, however, could result in a critical deterioration of Sino-American relations.

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